

Schedule 1.

EXAMPLE: An FEHB-Style Premium Schedule

Premium (in dollars)	Premium as a Percent of the National Avg.	Government Share	Enrollee Share	Government Share (in percent)	Enrollee Share (in percent)
4500	79%	4050	450	90%	10%
4600	81%	4140	460	90%	10%
4700	82%	4230	470	90%	10%
4800	84%	4320	480	90%	10%
4900	86%	4410	490	90%	10%
5000	88%	4500	500	90%	10%
5100	89%	4590	510	90%	10%
5200	91%	4657	543	90%	10%
5300	93%	4724	576	89%	11%
5400	95%	4791	609	89%	11%
5500	96%	4858	642	88%	12%
5600	98%	4925	675	88%	12%
5700	100%	4992	708	88%	12%
5800	102%	4992	808	86%	14%
5900	104%	4992	908	85%	15%
6000	105%	4992	1008	83%	17%
6100	107%	4992	1108	82%	18%
6200	109%	4992	1208	81%	19%
6300	111%	4992	1308	79%	21%
6400	112%	4992	1408	78%	22%
6500	114%	4992	1508	77%	23%

Notes:

This example does not necessarily reflect actual premiums or enrollee obligations. Under current law, Part B premiums will be about 12 percent of Medicare program costs when the Balanced Budget Act is fully implemented.

In this example, the National Weighted Average Premium is about \$5700.

For premiums below 90% of national weighted average,
the government's share is 90% of the premium.

For premiums above 90% of national weighted average,
but below 100% of national weighted average,
the government's share increases \$2 for \$1 with the beneficiary share.
For premiums above 100% of national weighted average,
the government's share is fixed.